



GARY R. HERBERT  
Governor

GREG BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

## Inspection Report

Permit Number:	C0070033
Inspection Type:	COMPLETE
Inspection Date:	Monday, July 12, 2010
Start Date/Time:	7/12/2010 8:55:00 AM
End Date/Time:	7/12/2010 11:40:00 AM
Last Inspection:	Thursday, June 10, 2010

Inspector: Pete Hess

Weather: Clear and warm; 80's F.

Inspection ID Report Number: 2420

Accepted by: jhelfric

7/29/2010

Permittee: **ANDALEX RESOURCES INC TOWER DIVISION**

Operator: **ANDALEX RESOURCES INC TOWER DIVISION**

Site: **WILDCAT LOADOUT**

Address: **6750 AIRPORT RD, PO BOX 902 PRICE UT 84501**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

#### Current Acreages

100.00	Total Permitted
78.45	Total Disturbed
	Phase I
	Phase II
	Phase III

#### Mineral Ownership

- ☒ Federal  
☐ State  
☐ County  
☐ Fee  
☐ Other

#### Types of Operations

- ☐ Underground  
☐ Surface  
☒ Loadout  
☒ Processing  
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee has closed the terminal, shipping all coal and locking the gates. No one remains on site. The west side truck dump crusher and radial stacker belt have been removed and shipped to the Lila Canyon Extension of the Horse Canyon Mine.

Inspector's Signature:

*Pete Hess*

Pete Hess,

Inspector ID Number: 46

Date

Monday, July 12, 2010

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.  
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**REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
  - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
  - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**1. Permits, Change, Transfer, Renewal, Sale**

The Permittee is very close to having a response ready for submittal relative to Division Order DO-04A, Design Drawings and Specifications. Mr. Shaver stated that he needed a few more days to finalize the application.

**4.b Hydrologic Balance: Sediment Ponds and Impoundments**

Mr. Shaver conducted the second quarter of 2010 impoundment inspections for ponds A - F and the permanent impoundment on June 4. All ponds were noted as dry, with no sign of instability or other hazards. As observed this day, all ponds were dry with the inlet and outlet ditches capable of functioning as designed. Sediment levels are well below the 60 % cleanout elevation, as shown by the installed markers. The depression area, which is a coal storage area, is empty.

**4.c Hydrologic Balance: Other Sediment Control Measures**

The straw bale dikes used for sediment control at the perimeter of the sites alternate sediment control areas appeared to be capable of functioning as designed.

**4.d Hydrologic Balance: Water Monitoring**

The Division's electronic water monitoring data base has received the First Quarter of 2010 reportable data for the Wildcat Loadout permit area. All sites for which data is reported (6 UPDES outfalls and four stream monitoring locations (WCW-1 thru 4)) were reported as "NO FLOW" situations. The site was dry this day, although the County did receive some rain on 7/11 from thunderstorms.

**4.e Hydrologic Balance: Effluent Limitations**

The term of the current UPDES permit remains in effect through April 30, 2013.

**7. Coal Mine Waste, Refuse Piles, Impoundments**

Mr. David Hibbs, Utah registered professional engineer, completed the second quarter 2010 waste rock pile inspection on June 7, 2010. The inspection report noted that all refuse slopes had recently been regraded, and that all berms were in place. As observed this day, no water was seen on the active lift of the pile, and there was no visible erosion on the outslope of the pile. Mr. Hibbs certified the inspection report on June 7.

**15. Cessation of Operations**

As noted above, UtahAmerican has closed the site, and keeps all gates locked. The Division approval of the Permittee's response to DO-04A should clear the path for C/007/033 to be transferred to the InterMountain Power Agency.

**20. Air Quality Permit**

The current Air Quality AO was issued in January 2000.

**21. Bonding and Insurance**

The current general liability insurance remains in effect through June 1, 2011. Coverage amounts for the required categories are adequate; the cancellation clause on the Acord form has been modified to meet the requirements of the R645 Coal Mining Rules. The reclamation bond was escalated to \$ 1,144,000 on July 31, 2007. Two sureties, provided by Rockwood Casualty Insurance Company, cover the required bond amount.

**22. Other**

There are two tamarisk trees and one Russian olive tree in the depression area. Tamarisk is a State wide noxious weed; Russian olive is a noxious weed in the County. The Permittee should have these cut and disposed; the stump and root structure should have herbicide used to kill them.